



TERRY E. BRANSTAD, GOVERNOR

IOWA UTILITIES BOARD
IOWA DEPARTMENT OF COMMERCE

FCC MAIL ROOM

September 21, 1998

SEP 22 1998

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Ms. Magalie Roman Salas
Office of the Secretary
Federal Communications Commission
Room 222, 1919 M St., NW, Room 222
Washington, DC 20554

RE: Implementation of the Pay Telephone Reclassification and
Compensation Provisions of the Telecommunications Act of
1996, CC Docket No. 96-128

Dear Ms. Salas:

Enclosed for filing in the above docket are an original and twelve copies of the
Report of the Iowa Utilities Board on the above noted docket.

Please stamp one of the enclosed copies, and return it in the enclosed postage-paid
envelope.

Sincerely,

Johanna Benson
Utility Analyst

Enclosures

No. of Copies rec'd
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Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

SFP 2 2 1998

In the Matter of)

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Implementation of the)
Pay Telephone Reclassification and)
Compensation Provisions of the)
Telecommunications Act of 1996)

CC Docket No. 96-128

REPORT
OF THE IOWA UTILITIES BOARD

The Iowa Utilities Board (IUB) submits the following report addressing the Federal Communications Commission (FCC) Common Carrier Bureau's September 20, 1996, Report and Order (FCC 96-388), requiring a report on the adequacy of payphones for the public interest in Iowa.

Summary

Pay telephones have been deregulated in Iowa for more than a decade. At this time, the IUB believes that a public interest payphone program is unnecessary in the state of Iowa. The IUB will address this issue if the need arises in the future.

Background

Section 276 of the Telecommunications Act of 1996 required the FCC to determine if programs for public interest payphones should be maintained and to ensure that such public interest payphones are supported fairly and equitably.

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In its order¹ the FCC defined a public interest payphone as "a payphone which (1) fulfills a public policy objective in health, safety, or public welfare, (2) is not provided for a location provider with an existing contract for the provision of a payphone, and (3) would not otherwise exist as a result of the operation of the competitive marketplace."

The FCC directed each state to review whether it has provided for public interest payphones in a manner consistent with its order. This review is to be completed by September 20, 1998.

Payphones in Iowa

Payphones are deregulated in the state of Iowa. Legislation passed in 1983 required the IUB to deregulate services that are subject to effective competition². In 1985 the IUB, through an investigative procedure, determined that payphone service was subject to competition. Accordingly, the IUB deregulated payphone service³. The IUB's action resulted in total deregulation of price and service.

The IUB has received virtually no complaints or inquiries by customers, the media, or other interested parties concerning a lack of access to payphones. It is the IUB's belief that access to a payphone is not a problem in Iowa and there is currently no reason to believe that it will become a problem in the future.

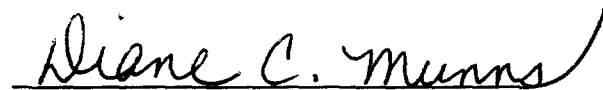
¹ Implementation of the Pay Telephone Reclassification and Compensation Provisions of the Telecommunications Act of 1996, Docket No. CC 96-128, Report and Order (September 20, 1996) at para. 285.

² IOWA CODE §476.1D

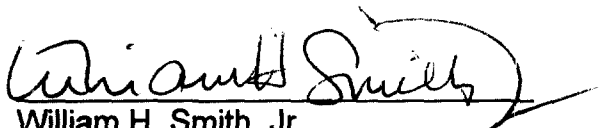
³ Investigation into Competition in Communications Services and Facilities, Docket No. INU-84-6, "Findings of the Commission," issued February 21, 1985.

In order to help identify any problems regarding access to payphones in the state, the IUB has requested the telephone associations to assist in future problem identification⁴. If a problem concerning access to payphones arises in the future, the IUB will address the problem at that time.

Respectfully submitted,



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September 20, 1998

⁴ See Attachment A



TERRY E. BRANSTAD, GOVERNOR

ATTACHMENT A

IOWA UTILITIES BOARD
IOWA DEPARTMENT OF COMMERCE

Harold Waggoner
Iowa Payphone Association
8450 Hickman Road, Suite 12
Des Moines, Iowa 50325

September 10, 1998

Dear Mr. Waggoner,

Section 276 of the Telecommunications Act of 1996 required the FCC to determine if programs for public interest payphones should be maintained and to ensure that such public interest payphones are supported fairly and equitably.

In its order, the FCC defined a public interest payphone as, "a payphone which (1) fulfills a public policy objective in health, safety, or public welfare, (2) is not provided for a location provider with an existing contract for the provision of a payphone, and (3) would not otherwise exist as a result of the operation of the competitive marketplace." The FCC directed each state to evaluate whether it needs to take any measures to ensure that payphones serving important public interests will continue and that any programs are administered and funded consistent with the FCC requirements.

Payphones have been deregulated in the state of Iowa. Legislation passed in 1983 required the Iowa Utilities Board (IUB) to deregulate services that are subject to competition. In 1985, the IUB, through an investigative procedure, determined that payphone service was subject to competition and deregulated payphone service. It was total deregulation of price and service.

This agency has received virtually no complaints from interested consumers, the media or other interested parties regarding the need for public interest payphones. However, we may not have all of the necessary information and you may know of a need for public interest payphones that we are unaware of.

I am requesting any pertinent information that you may possess concerning the need for public interest payphones in Iowa. If available, please provide factual information regarding customer complaints in Iowa or other incidents that would substantiate a need for public interest payphones. Please respond with this information by October 9, 1998.

Thank you for your assistance in this matter.

Sincerely,

Sandra Adams
Manager Communications Section